

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1994-01  
Bill No.: HB 885  
Subject: Business & Commerce; Department of Transportation  
Type: Original  
Date: April 10, 2001

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>
State Road Fund*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Does not include potential loss of up to \$73.1 million, due to federal non-compliance sanctions.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>
None	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials with the **Department of Transportation (MoDOT)** indicate that the proposal would allow non-profit organizations to have unregulated outdoor advertising on their property. No direct fiscal impact is expected, however, the legislation could place the Department in non-compliance with federal law relating to outdoor advertising. As a result, the Department could be subject to a sanction of up to 10% of Missouri's federal road funds. Federal Highway Administration (FHWA) apportionments for FY 2001 were \$731 million. Therefore, MoDOT estimates the penalty could result in an annual loss of up to \$73.1 million in FHWA funding.

<u>FISCAL IMPACT - State Government</u>	FY 2002	FY 2003	FY 2004
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<b>STATE ROAD FUND*</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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\*Does not include potential loss of up to \$73.1 million, due to federal non-compliance sanctions.

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

### FISCAL IMPACT - Small Business

This proposal could have a direct fiscal impact to small non-profit organizations.

### DESCRIPTION

This bill allows nonprofit organizations to display signs, displays, and devices advertising activities, services, and products regardless of whether conducted or located on the property. Currently, advertising of this kind is restricted to on-property locations.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA  
Director

April 10, 2001